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Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.35 a.m.

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

Report of the Secretary-General on the reorganization of the Department of Administration and Management (A/C.5/48/72 and A/48/7/Add.13)

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Report of the Secretary-General on the United Nations special coordinator in the occupied territories (A/C.5/48/81)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), referring to the report of the Secretary-General on the reorganization of the Department of Administration and Management (A/C.5/48/72), said that the Advisory Committee welcomed the proposals contained in the report, while having the reservations expressed in the related report of ACABQ (A/48/7/Add.13). He noted that due account had been taken of the prior views of the Secretary-General and the reactions thereto of the Advisory Committee and the General Assembly. What was an essential department had undergone too many changes in recent years, and the time had come to endow it with a degree of stability. He trusted that, as a result of the proposals, staff would be able to concentrate on the substantive issues for which they had responsibility. He drew the Committee's attention to paragraph 9 of the Advisory Committee's report, where ACABQ recommended that, in view of discussions now ongoing in the Fifth Committee regarding the inspection and investigation function, no action should be taken regarding the assistant secretary-general post, and to paragraph 10, in which ACABQ indicated that it would keep the question of the redeployment of two D-2 posts to the Department of Administration and Management under review in the context of its consideration of the proposed programme budget for 1996-1997.

2. The Advisory Committee, in its report on the proposed reclassifications of posts (A/48/7/Add.11), was recommending acceptance of the reclassifications proposed in the report of the Secretary-General (A/C.5/48/75). It had not been easy to reach such a conclusion. Over the years the Advisory Committee had encountered many difficulties in considering proposals for the reclassification of posts submitted to it. There was a need to simplify the procedure for the submission of such proposals by the Secretary-General to the Advisory Committee and the General Assembly. He drew the attention of the Fifth Committee to the report to be submitted by the Secretary-General, pursuant to General Assembly

resolution 48/218, of 23 December 1993. The High Commissioner had requested that the Secretary-General should indicate his views on the viability and consequences of his being granted authority to reclassify posts up to the P-5 level, taking into account the objectives indicated in paragraph 8 of the Advisory Committee's report, namely to ensure that the relationship between the overall numbers for each grade level was maintained.

3. In reviewing the report of the Secretary-General on the staffing and functions of the Office of the United Nations High Commissioner for Human Rights and of the Centre for Human Rights (A/C.5/48/77), the Advisory Committee had encountered some difficulty - in particular, over the absence of any clear indication of the organizational relationship between the Office of the High Commissioner and the Centre. Doubtless that information would be available in due course, when the High Commissioner had concluded his review of the requirements of his Office and the Secretary-General had submitted a report thereon. The Advisory Committee, in its report (A/48/7/Add.10), drew attention to other issues that, if resolved, would result in the optimum use of the resources allocated.

4. With regard to the report of the Secretary-General on a continued United Nations human rights presence in Cambodia (A/C.5/48/78), should the Advisory Committee's recommendation in paragraph 11 of its report (A/48/7/Add.12) for approval of an amount of $1.5 million (inclusive of the $550,000 already approved) for the financing of human rights activities in Cambodia be accepted, any appropriation would be considered in the context of the first performance report for the biennium 1994-1995.

5. The Secretary-General's report on the United Nations Special Coordinator in the Occupied Territories (A/C.5/48/81) had been submitted in response to the request contained in paragraph 5 of the relevant report of the Advisory Committee (A/48/920). In that report the Advisory Committee had recommended that commitments of $1,441,200 should be authorized initially under section 4 of the programme budget for 1994-1995 in connection with the establishment of four temporary posts (one assistant secretary-general, one D-1, one P-5 and one General Service post). The Advisory Committee had not had sufficient time to consider the report of the Secretary-General in depth, owing to its late submission. Nevertheless, in view of the conclusion reached by the Secretary-General in paragraph 6 of his report, as well as the views expressed by some Member States during the Committee's consideration of the report of the Advisory Committee (A/48/920), ACABQ was recommending to the General Assembly that it should approve the Secretary-General's request that the post of Special Coordinator shall be at the under-secretary-general level.

6. Mr. MICHALSKI (United States of America) said that, since document A/C.5/48/81 had only been distributed at the current meeting, his delegation had had no opportunity to study it, nor to refer it to Washington for instructions. It was possible that some delegations had proposed that the post of United Nations Special Coordinator in the Occupied Territories should be at the under-secretary-general level (para. 6), but he was not sure that the Fifth Committee had taken such a decision. In any event, if the Committee was being requested

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to approve the under-secretary-general level for the Special Coordinator, his delegation was not prepared to take any decision on the matter. Moreover, if the Fifth Committee was to be treated in such a way, receiving documents requesting reclassification of posts to a higher level only at the last moment, his delegation found itself obliged to reiterate its view that the role of the Fifth Committee and the Member States in the budgetary process was continually being diminished. In view of the fact that the Organization must be governed by established standards and that Member States had other responsibilities besides paying the bills, his delegation was opposed to the procedures being followed in the current instance and in connection with other agenda items. His statement was not politically motivated, but was strictly in response to the constant abuses of the procedures on the part of the Secretariat and the regrettable way in which Member States were treated in the Committee. Although his delegation supported the Secretary-General's proposal in principle, it did not wish to be forced into approving it without having had an opportunity for prior consultation with Washington.

7. Mr. ZEVELAKIS (Greece), speaking on behalf of the European Union, said that the report of the Secretary-General on the staffing and functions of the Office of the United Nations High Commissioner for Human Rights and the Centre for Human Rights (A/C.5/48/77) contained much important and useful information on the requirements of the High Commissioner and the Centre for Human Rights. In paragraph 9 of the report of the Advisory Committee (A/48/7/Add.10) and in the annex to the report of the Secretary-General, reference was made to the Liaison Office in New York. He would welcome more information on the situation with regard to that Office.

8. Mr. ROSENBERG (Ecuador) shared the view of the Advisory Committee with regard to the need to clarify the organizational relationship between the Office of the High Commissioner for Human Rights and the Centre for Human Rights. However, he regretted that so far it had not been possible to provide the High Commissioner with the resources allocated to him to fulfil his important and sensitive functions, resources which were quite meagre considering the magnitude of the task. Everyone had been given an opportunity to see the High Commissioner in action in Rwanda, a crisis which had been unleashed barely a day after he had taken up his functions. Undoubtedly that problem had occupied his attention, and perhaps explained why he was still preparing the reports to be submitted regarding the organization of his office. If the High Commissioner was to proceed with the difficult task which had been entrusted to him, it was essential that he should be given the necessary support, resources and staff to fulfil his mandate. His delegation therefore hoped that those resources would be allocated quickly.

9. Mr. CLAVIJO (Colombia) endorsed the comments of the representative of Ecuador regarding the High Commissioner for Human Rights. It was well known that, in the Third Committee, delicate political negotiations had taken place during which the functions of the High Commissioner which had been defined, with the clear support of all Member States. It would therefore be highly regrettable if the necessary resources were not allocated for the fulfilment of the mandates entrusted to him by the Third Committee. In its report

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(A/48/7/Add.10), the Advisory Committee drew attention to various gaps in the report of the Secretary-General (A/C.5/48/77), particularly regarding the clear separation of functions between the Office of the High Commissioner and the Centre for Human Rights. Although certain aspects should be clarified from a technical standpoint, his delegation hoped that that would not lead to the freezing of the functions of the High Commissioner. It also hoped that it would be possible to obtain the information requested by the Advisory Committee during the forty-eighth session of the General Assembly, so that, even on a provisional basis, the resources necessary for the High Commissioner to initiate his activities could be allocated to him.

10. Mr. KUMAMARU (Japan) said that the Secretary-General's proposals on the reorganization of the Department of Administration and Management (A/C.5/48/72) were very interesting, not only from the standpoint of the programme budget, but also because of the changes they would lead to in the work of that Department. His delegation welcomed the initiative taken by the Secretariat and the new Under-Secretary-General with a view to increasing the efficiency of the Department, but it would have preferred the Advisory Committee to focus its attention not only on the budgetary aspects, but also on the reorganization itself. The proposal was a very broad one and would have strong repercussions on the Department's activities and administrative structure; it should therefore be considered in greater detail by the Fifth Committee. It would be useful to have more information and for delegations to have an opportunity to express their views on the proposal.

11. Mr. STITT (United Kingdom) regretted that at the current late stage, when more than six months had elapsed since the question of the regular budget should have been resolved, the Advisory Committee was still not in a position to recommend final decisions to the Fifth Committee. From reading the reports of the Advisory Committee, it could be clearly seen that the major gaps in the reports of the Secretary-General would prevent the Advisory Committee from recommending firm conclusions and would cause it to request more information. His delegation believed that the Fifth Committee could not postpone indefinitely the adoption of decisions that were required to facilitate the functioning of the Secretariat operations and the execution of programmes already approved by the General Assembly, some of them six or nine months earlier. He was especially concerned by the uncertainties which would still surround the work of the High Commissioner for Human Rights and the Centre for Human Rights if the Fifth Committee simply endorsed the report of the Advisory Committee.

12. His delegation shared the views of the representative of the United States concerning document A/C.5/48/81, and was not clear what decisions the General Assembly should adopt on the matter. It was rather strange that the reclassification of a post to a higher level had been proposed without any indication of the cost of the reclassification; he requested the relevant information.

13. Ms. LIMJUCO (Philippines) recalled the great satisfaction with which the Third Committee had welcomed the consensus on the establishment of the post of High Commissioner for Human Rights. The establishment of a high-level and permanent mechanism for the promotion and protection of human rights, with the authority to coordinate all human rights activities and with a prevention mandate that would permit him to avert human rights violations, had finally been achieved. That element of preventive diplomacy represented a major step forward compared to the former modus operandi, which had been directed towards resolving crises. It was therefore discouraging and disturbing that for procedural or other reasons, the High Commissioner had not immediately been given the necessary support to function in accordance with his mandate. It was more essential than ever to have a High Commissioner who could react immediately to violations of human rights and who had mobility and the necessary logistical support and staff to discharge his functions. Her delegation had no objection whatsoever to the comments of the Advisory Committee in its report regarding the need to avoid duplication of functions. However, it had long since been explained that the High Commissioner for Human Rights and the Centre for Human Rights would be a single entity dedicated to the promotion and protection of Human Rights. Action had been initiated in the Third Committee with a view to strengthening the Centre as well as the New York Office, which was part of the Centre and which had been of great assistance to delegations in the deliberations on human rights. Her delegation welcomed the statement by the Secretary-General in his report (A/C.5/48/77, para. 4) that, in the meantime he would ensure that the High Commissioner had at his disposal the resources necessary to enable him to discharge his functions.

14. Mr. TROTTIER (Canada), referring to the report of the Advisory Committee on the Office of the High Commissioner for Human Rights and the Centre for Human Rights (A/48/7/Add.10), expressed his delegation's support for augmenting the resources for the human rights programme. Given that the expenditure for that programme constituted a minuscule part of the United Nations general programme budget, and bearing in mind the importance of the adequate functioning of the post of United Nations High Commissioner for Human Rights, he concurred with the Ecuadorian and Colombian delegations that it was indispensable for the High Commissioner to be able to count on having sufficient resources and personnel. Although the information requested from the Centre for Human Rights by the Advisory Committee would doubtless be useful, that legitimate request should not interfere with the provision to the High Commissioner, as soon as possible, of the means necessary for the fulfilment of his task. His delegation doubted that the resources mentioned in paragraph 2 of the report would be adequate for that purpose.

15. Mr. MICHALSKI (United States of America) expressed the hope that the cause of human rights would not become the victim of internal power struggles that would give rise to a parallel bureaucracy in the Office of the High Commissioner. He also hoped that the resources, limited as they were by all the other activities of the United Nations, would be used efficiently and prudently, and would not wind up being diverted to resolve the bureaucratic problems of the Secretariat. His delegation supported the recommendations of the Advisory Committee in that respect.

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16. With regard to the Secretary-General's proposals for reclassification of posts (document A/C.5/48/75), his delegation had reservations and would explore the question during the informal consultations. In general, it felt that programme managers should pay more attention to the discussions of the Fifth Committee, which frequently found no justification for such proposals. Using clever language, the Secretariat was trying to convince the Fifth Committee that the proposals were justified by alluding to the growing complexity of the tasks and broader scope of the activities of the United Nations, and by exaggerating the role of those activities in numerous spheres; nevertheless, those general claims were not supported by concrete details.

17. With regard to the reorganization of the Department of Administration and Management, his delegation supported the proposal of the Secretary-General, and in particular the Advisory Committee's recommendation in paragraph 9 of its report (A/48/7/Add. 13) that no action should be taken on the proposal concerning the Chief of the Office for Inspections and Investigations until the conclusion of ongoing discussions in the Fifth Committee regarding the establishment of a new function in that sphere.

18. Finally, he noted that certain proposals required clarification, such as those contained in the reports of the Secretary-General on ONUMOZ (A/48/849/Add.1) and on the support account for peace-keeping operations (A/48/470 and Add.1), and the corresponding reports of the Advisory Committee (A/48/956 and A/48/955, respectively), since they involved considerable resources and questions of principle. It was not his wish to cause delays or complications, but delegations had to answer to their Governments. Accordingly, when those questions were examined, the United States would not be able to go on record as supporting the Advisory Committee's recommendations in the absence of the Chairman of that Committee. His delegation was still studying, inter alia, the just-published report on the Special Coordinator in the Occupied Territories (A/C.5/48/81); the Secretariat should give adequate time for Member States to debate and consider those questions.

19. Mrs. RODRIGUEZ (Cuba) concurred with the Ecuadorian delegation, among others, that the High Commissioner for Human Rights did not have sufficient resources to carry out his tasks. During the forty-eighth session, the Fifth Committee should assign to him the resources that he needed to perform the task entrusted to him by the General Assembly.

20. Mr. MORCZYNSKI (Poland) concurred with the previous delegations in regard to resources for the Office of the High Commissioner. He called on the Fifth Committee to allocate the necessary resources for the High Commissioner, even if they were provisional in nature; the issues raised by the Advisory Committee could be cleared up later.

21. Mr. SHARP (Australia) said that during the World Conference on Human Rights in 1993 the international community had declared at the highest political level that more resources had to be committed for the promotion and protection of human rights in the United Nations system, and had requested in particular that the General Assembly should take action to that end. Also in 1993, the General

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Assembly had decided to establish the post of High Commissioner for Human Rights. He was glad so see that consensus existed on the High Commissioner's need for sufficient resources to carry out his work effectively. His delegation agreed that the relationship between the High Commissioner and the Director of the Centre for Human Rights should be clarified, but, like other delegations, hoped that the debates on that question would not delay the allocation of resources for the High Commissioner.

22. Ms. LAHNALAMPI (Finland), referring to the question of the Centre for Human Rights and the United Nations High Commissioner for Human Rights, reiterated that her country supported increasing resources for the promotion and protection of human rights. She shared the concern of the Advisory Committee regarding coordination and duplication of activities, and regarding the possibility of a larger bureaucracy, but she also welcomed the consensus on allocating the agreed resources to the High Commissioner. If the hiring of permanent staff for the High Commissioner were to be restricted, he would have to hire consultants for short periods, which could damage efficiency over the long term. Her delegation therefore requested that the Advisory Committee should be provided as soon as possible with the information it needed to make a final decision on resources in good time; it was not appropriate, as the United Kingdom delegation had said, to continue delaying those questions until the following session of the General Assembly.

23. Mr. VARELA (Chile) said that the reports of the Advisory Committee were indispensable for the work of the Fifth Committee, for they were based on technical reviews that aided decision-making. He considered the activities of the Centre and of the United Nations High Commissioner for Human Rights to be of the utmost importance, and he was therefore worried that their work might be compromised by the lack of adequate staffing. He joined the delegations that had preceded him in requesting that the necessary measures should be taken to provide more resources to the High Commissioner.

24. Mr. DEKANY (Hungary) said that for 40 years the United Nations had been trying to establish the Office of the High Commissioner. Following the World Conference on Human Rights, the General Assembly had finally decided by consensus, to establish it in its resolution 48/141 of 20 December 1993. Member States that adopted decisions in the political bodies had a certain responsibility for implementing those decisions. That was particularly pertinent in the case of the human rights programme, to which clearly insufficient funds had been allocated, and of the establishment of the post of High Commissioner for Human Rights. While sharing the concern expressed by the Advisory Committee regarding the duplication of activities and the growth of bureaucracy, his delegation considered that from the political point of view the establishment of an independent office and the appointment of an independent official were justified, since that was in response to the unanimous wish of Member States to create a distinct mechanism for the promotion and protection of human rights. In common with earlier speakers, he felt that there should be no further delay in the allocation of resources to enable the Office of the High Commissioner to begin functioning effectively.

25. Mrs. EMERSON (Portugal) stressed the importance of the Advisory Committee being present when the Fifth Committee considered the reports of the Secretary-General. While she also fully understood the importance of the Advisory Committee reviewing the many difficult aspects of peace-keeping operations on the ground and supported its visit to Bosnia, she felt that it was not the most suitable time for the visit in terms of the work of the Fifth Committee. The Advisory Committee had a number of items outstanding, including its report on UNPROFOR, which had not yet been issued and which involved very large sums of money - $1.5 billion. For all those reasons, she proposed that the Chairman of the Advisory Committee should consider the possibility of remaining in New York not only in order to submit that report and others which were outstanding, but also in order to assist the Fifth Committee in its deliberations.

26. Miss INCERA (Costa Rica) said that her delegation had always taken a great interest in all questions relating to human rights and therefore wished to support the allocation of resources for the High Commissioner in order to enable him to discharge his functions without further delay.

27. Ms. ROTHEISER (Austria) agreed with previous speakers on the need to ensure that the Office of the United Nations High Commissioner for Human Rights was sufficiently staffed. Her delegation would have preferred to have had the staffing decided in December and therefore believed that a decision must be taken on it.

28. Mr. CONNOR (Under-Secretary-General for Administration and Management), referring to the proposed reorganization of the Department of Administration and Management, said that he had taken note of the Advisory Committee's observations on the redeployment of the assistant secretary-general post and agreed that the three assistant secretary-general posts should be retained. The debate on the final staffing table of the Office for Inspections and Investigations could be postponed until a later date.

29. As for the reorganization plan itself, the time had come to take action. The current plan was satisfactory because it focused on the services requested by Member States and addressed all the concerns expressed. He therefore requested Member States to give it the necessary support.

30. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General was authorized to enter into commitments in respect of the Office of the United Nations High Commissioner for Human Rights until the end of 1994, and that the Advisory Committee would await an indication from the Secretariat of whether additional resources were necessary.

31. While he was aware of the need for the Chairman of the Advisory Committee to be present during the debate in the Fifth Committee, it was not always possible owing to the heavy volume of work. While the Advisory Committee would need to consider the problem, he assured the members of the Fifth Committee that he would be in New York, at their disposal, during the July resumed session of the Fifth Committee.

32. Mr. TAKASU (Controller), referring to the resources allocated to the Office of the United Nations High Commissioner for Human Rights, said that when the post had been established, it had been made clear that the High Commissioner could draw on the resources of the Centre for Human Rights in order to fulfil his tasks and that additional resources would be necessary. For that reason, the General Assembly had authorized the Secretary-General, on the recommendation of the Advisory Committee, to enter into commitments not to exceed $1,471,400 and had decided that such additional appropriation as might be necessary and not to exceed that amount would be considered during the resumed forty-eighth session, as indicated in paragraph 2 of document A/C.5/48/77. Perhaps the only difficulty lay in the establishment of posts, since, until such time as a decision was taken on the additional appropriation, the posts would be temporary.

33. As for the establishment of the Liaison Office in New York, referred to in paragraph 9 of document A/48/7/Add.10, that was the specific designation used by the General Assembly in paragraph 6 of its resolution 48/141, in which it decided that the Office of the High Commissioner should have a liaison office in New York. The description of its functions clearly stated that the Liaison Office would represent the High Commissioner and the Centre for Human Rights at Headquarters and coordinate their activities in New York. Thus, there should be no duplication whatsoever of functions or resources.

34. As for the question of the United Nations Special Coordinator in the Occupied Territories, as explained in paragraphs 2 and 3 of document A/C.5/48/81, the appointment had been deferred for reasons which had had nothing to do with the United Nations. Once the Secretary-General had taken his decision, all the concerned parties had welcomed it. As indicated in paragraph 6 of his report, the Secretary-General considered that the function should be performed at the under-secretary-general level. The General Assembly and the Advisory Committee had accepted that proposal, the financial implications of which would amount to $18,600. Since the appointment had been delayed, that amount would be charged against the $1.4 million authorized by the General Assembly in its resolution 48/228 B of 5 April 1994.

35. Mr. ZEVELAKIS (Greece), speaking on behalf of the European Union, welcomed the fact that the establishment of the Liaison Office in New York would not result in duplication of either activities or resources. In December, after authorizing the Secretary-General to enter into commitments, the General Assembly had specified that, at its resumed forty-eighth session, it would consider such additional appropriation as might be necessary and did not exceed the authorized limit. Accordingly, the necessary measures would have to be taken at the earliest possible date in order to allocate the resources required to cover the commitments authorized, so that the Office of the High Commissioner could recruit the long-term staff necessary for its smooth functioning.

36. Mr. MICHALSKI (United States of America) said that the decision to establish the post of Special Coordinator in the Occupied Territories at the under-secretary-general level had been taken without consultation with the Fifth Committee. The Secretary-General took such decisions as he saw fit and, at

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best, merely informed the Committee of those decisions. The task of the Organization was not to serve the interests of the Secretary-General or those of the Secretariat but rather those of the international community, and it was for Member States to decide how its resources should be administered. His delegation was deeply concerned by the turn which the Organization was taking and by the fait-accompli approach which reduced the role of the Fifth Committee to that of a mere rubber stamp.

37. After an exchange of views in which Mr. STITT (United Kingdom) and Mr. KUMAMARU (Japan) participated, the CHAIRMAN said that informal consultations would be held on the proposed reclassification of posts, on the staffing and functions of the Office of the United Nations High Commissioner for Human Rights and of the Centre for Human Rights, on the United Nations Special Coordinator in the Occupied Territories, on the continued United Nations human rights presence in Cambodia and on the reorganization of the Department of Administration and Management.

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/48/470/Add.1 and A/48/955)

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the support account for peace-keeping operations (A/48/955), said that the report had been issued under severe time constraints and that some corrections were necessary: paragraph 48 should refer to 14 other posts and not 15 other posts. In annex II, the reference to (Engineering Section), Paragraph reference 41, Requested 1 P-4, Recommended by ACABQ 1 GS, should read: Recommended by ACABQ 1 P-4. Also in annex II, the reference to (Transport Section), Reference paragraph 42, Requested 1 P-3, Recommended by ACABQ 1 P-3, should read: Requested 2 P-3, Recommended by ACABQ 2 P-3.

39. The Advisory Committee report did not indicate the amount recommended for the support account for the period 1 July to 31 December 1994 since, owing to time constraints, the Secretariat had been unable to submit the costs of its recommendations. He thus asked for the programme budget implications to be made available to the Fifth Committee.

40. The aim of the support account was to rationalize the financing of overload posts at Headquarters. Those posts, then numbering 92, had been charged to each of the five peace-keeping operations, a procedure which posed difficulties for the Secretariat since it lacked the necessary flexibility. Since 1990 financing of an amount equal to 8.5 per cent of the cost of the civilian component, including travel, of each peace-keeping operation had been financed from the support account. After having reviewed other possible financing options, the Secretary-General had concluded that the current procedure, which was simpler and had not led to excessive allocations of resources, should be maintained, although it could be improved by the adoption of an annual budget. The Advisory

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Committee had expressed reservations regarding the application to each operation of an across-the-board percentage of 8.5 per cent regardless of its support requirements at Headquarters. Nevertheless in general it agreed that, until a better alternative was devised, the current mechanism should be retained. With respect to the unencumbered balances in the account, ACABQ accepted the explanation that that was the result of problems relating to recruitment and the time-frame for the use of authorized amounts.

41. The Advisory Committee had various reservations with regard to the Secretary-General's proposals. In his report the Secretary-General was attempting to provide a clear definition of the posts and other services to be funded from the support account and the regular budget. The Secretary-General was seeking to respond to the issues raised by describing the duties and workload of Secretariat units and departments, but had not indicated the extent to which the regular budget supported peace-keeping operations. While the proposal to establish a "main nucleus" of permanent and flexible posts seemed appropriate at first sight, it was not clear whether all or some of the permanent posts would be funded under the regular budget, even where the functions involved were such that it did not seem appropriate to do so, or what threshold would be used to establish the "main nucleus" of permanent posts. The Advisory Committee trusted that its remarks would be taken in a constructive spirit as an attempt to resolve the issues considered in the report of the Secretary-General. The most practical method of proceeding was to define the functions to be discharged, not the functions of departments, in view of which ACABQ was recommending once again that an effort should be made to clarify fully the justification for and scope and financing of support for peace-keeping operations.

42. The Advisory Committee had raised several questions: whether a post for coordination, research, political analysis, training or management should be financed from the support account or the regular budget; why such activities should be funded under the regular budget if they were a direct consequence of the establishment of a peace-keeping operation; and whether such posts should be maintained once operations had ended. In paragraph 22 of its report the Advisory Committee indicated the procedures currently applied in respect of the regular budget. Peace-keeping operations were financed in accordance with a special scale, which caused some of the theoretical problems relating to the role of the support account and of the regular budget in the financing of peace-keeping operations. It should not be thought that the regular budget did not provide support for peace-keeping operations. In that connection the Secretariat must provide the necessary information to delegations. While Headquarters support was currently under examination, most support for peace-keeping operations was provided in the field and was financed from the budget for each operation. The total expenditure planned for 1994 in connection with the support account was some $34.8 million, a figure which represented barely 1.2 per cent of the current annual cost of peace-keeping operations.

43. With reference to the staffing resources to be charged to the support account over the following six months, the Secretary-General was requesting 92

posts in addition to those already authorized by the General Assembly, while the Advisory Committee was recommending authorization of 60 posts.

44. Mr. TAKASU (Controller) introduced the report of the Secretary-General on the support account for peace-keeping operations (A/48/470/Add.1). In his previous report on that subject (A/48/470), the Secretary-General had outlined the resource requirements for the whole year 1994. However, the General Assembly had subsequently requested the Secretary-General to submit a report on the resource requirements for the six-month period from 1 January to 30 June 1994 and, in particular, to submit concrete proposals and a rationale for the scope and use of the support account, as well as for the scope and use of the regular budget for financing backstopping activities of peace-keeping operations, and to indicate the criteria for distinguishing between the backstopping of peace-keeping operations and other activities.

45. The report of the Secretary-General (A/48/470/Add.1) had been prepared in response to that request, with the participation of the heads of the departments concerned, who had carefully considered and agreed to all the proposals contained therein. In determining the scope of the support account and of the regular budget, which, in fact, already provided for substantial support to peace-keeping activities in many areas, three categories of Secretariat offices related to peace-keeping operations had been identified (A/48/470/Add.1, para. 21). The first category included offices that had direct responsibilities exclusively for peace-keeping activities; the second category included offices that had direct but not exclusive responsibilities for backstopping peace-keeping operations; and the third category included other additional activities. The criteria for requesting posts in each category must be established. Paragraphs 28 and 29 of the report were also very important; they stated that, in view of the fact that the maintenance of peace and security was a fundamental responsibility of the United Nations, the costs related thereto were to be borne by Member States. Moreover, as it was expected that a number of missions would have to be extended, the Secretariat must have a permanent infrastructure for undertaking peace-keeping operations. The Secretary-General also indicated that the main nucleus of posts that would be required on a permanent basis for Secretariat units with responsibilities exclusively for peace-keeping operations, irrespective of the fluctuations in the number of field missions, should be funded from the regular budget and would be built up gradually within future programme budgets, starting with the proposed programme budget for 1996-1997.

46. In addition to the 342 posts already authorized, the Secretary-General was requesting a further 92 posts, although, in view of the expansion of peace-keeping operations in the past two or three years, it was estimated that, in fact, 630 posts would be needed for backstopping activities. Pending the adoption of further decisions in respect of the final six months of 1994, he took it that the current provisions would be maintained.

The meeting rose at 12.55 p.m.

UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
70th meeting
held on
Wednesday, 29 July 1994
at 3 p.m.
New York

SUMMARY RECORD OF THE 70th MEETING

Chairman: Mrs. EMERSON (Portugal)
(Vice-Chairman)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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In the absence of Mr. Hadid (Algeria), Mrs. Emerson (Portugal), Vice-Chairman, took the Chair.

The meeting was called to order at 3.30 p.m.

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued)

Support account for peace-keeping operations (continued) (A/48/470/Add.1 and A/48/955)

1. Mr. STITT (United Kingdom) said that his delegation was not yet prepared to make a comprehensive statement on the question of the support account for peace-keeping operations, although it would like to make a number of comments, including some of a procedural nature. His delegation had more than once had occasion to note with regret that, as was apparent from the relevant reports of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the necessary information was sometimes not given in the reports submitted by the Secretary-General. As a result, ACABQ had been unable to formulate for the Fifth Committee the clear recommendations which would enable the latter to take sound decisions on a number of items on its agenda.

2. That remark also applied to the support account for peace-keeping operations. The management of the account over the past two years had to some extent been shrouded in obscurity. That was a cause of concern to his delegation and probably to others as well. The Committee should have had at its disposal documentation enabling it to understand the reason for the support account's existence, where the money had gone and what needs it should be used to meet in future. In the circumstances, his delegation could not but agree with the Advisory Committee's observation that the report did not enable it to do so.

3. The Fifth Committee was indebted to the Chairman of ACABQ, who had at an earlier meeting commented more frankly than the Advisory Committee's report itself on a number of problems underlying the question of the support account. When considering the parameters of the support account in detail at the next session, delegations would have to be guided by the observations which the Chairman of ACABQ had made.

4. At the current meeting, the Committee was required to take an interim decision so that the question of posts currently financed from the support account could be settled in one way or another. His delegation had no objection to a decision to extend the financing of some 340 of those posts for a further month. It would make sense at the resumed session to prefer simplicity to thoroughness, to tackle the minimum required, and to defer consideration of those problems which were not urgent. In other words, it was necessary to determine only the number of posts which would be financed from the resources of the support account until the end of the calendar year.

(Mr. Stitt, United Kingdom)

5. For the consideration of the question of the support account in the informal meetings, his delegation would like to receive additional information on expenditure from the support account over the past two years, which had amounted to tens of millions of dollars each year. It would also like to receive accounts for 1992 and 1993, with a breakdown by object of expenditure. It would be necessary to have information on both expenditures and income, with an indication of the cash balances (as at 1 January and 1 July of each year, for example), as well as reports (based on such data) with an indication of the posts financed from the resources of the support account.

6. Mr. MICHALSKI (United States of America) said that his delegation was unable to make informed comments on the item before the Committee because it had only just received the ACABQ report. His delegation therefore formally requested that it be given some time to peruse the report before the start of informal consultations on a draft resolution dealing with the support account. He endorsed the comments made by the United Kingdom representative concerning the documentation which the Committee needed and said that it would also need a detailed breakdown of regular-budget posts connected with peace-keeping operations. Furthermore, with regard to existing posts which had been authorized for one or another specific purpose, information was needed on whether those posts were really being used for the purposes intended.

7. His delegation would take a "zero-base" approach to planning the utilization of resources from the support account. The current practice was to take existing posts as the starting-point and then to consider only how many more posts were to be added. Such an approach had already created difficulties in the consideration of the regular budget, when all the efforts that had been made to streamline the budget had succeeded only in securing minor changes in the number of posts.

8. He requested the Secretariat to schedule the next formal meeting of the Fifth Committee to deal with the support account so as to give the Committee one or two days to study the ACABQ report carefully and to compare it with the Secretary-General's report. His delegation would like all statements and comments on the matter to be reflected in the record of the meeting so that the Committee would have something on which to base its future consideration of the question.

9. Mr. GOKHALE (India) said that his delegation had likewise not been able to study the ACABQ report carefully. Consequently, his remarks would be preliminary in nature. In section V of the Secretary-General's report (A/48/470/Add.1), reference was made to 630 posts required for the backstopping of peace-keeping operations. While recognizing the importance of peace-keeping operations, his delegation pointed out that the maintenance of international peace and security was not the international community's only priority and that it was necessary to maintain an appropriate balance with other aspects of the United Nations activities, in particular development and international cooperation.

(Mr. Gokhale, India)

10. While agreeing that the Secretariat needed a nucleus of permanent posts for the backstopping of peace-keeping activities, his delegation concurred with the Advisory Committee that the need for 630 permanent posts had not been convincingly demonstrated and that the procedure for financing those posts from the regular budget had not been clearly explained. He wished to know by what criteria the Secretariat would be guided in establishing such a nucleus of posts. For the consideration of the matter, his delegation would like to have additional information which would take into account the fact that posts for the backstopping of peace-keeping activities were by their very nature temporary and hence should not entail any increase in the number of regular-budget posts. The information should indicate the current number of peace-keeping posts financed under the regular budget and their specific functions, as well as the minimum number of permanent posts which the Secretariat needed to carry out those functions. If additional posts were needed, it would be necessary to indicate clear-cut criteria for their establishment and identify the sources of financing. Any increase in the number of posts relating to peace-keeping activities should be without prejudice to United Nations activities in the fields of social and economic development, especially in view of the insistence of a number of delegations on the need for a zero-growth approach in the preparation of the budget for the biennium 1996-1997.

11. His delegation was on the whole in agreement with the observations contained in the Advisory Committee's report concerning the question of additional posts. It also agreed with the comment by the United Kingdom representative that at the current stage only the question of extending the existing 342 posts for one month should be considered, while the Committee would be in a position at its resumed session, after having considered the entire question of the support account for peace-keeping operations, to deal with the question of approving both the existing 342 posts and the additional 60 posts for the period until December 1994.

12. Mr. KUZNETSOV (Russian Federation) said that the remarks of his delegation would be preliminary in nature, since, like other delegations, it had not had sufficient time to study the documents before the Committee. With respect to the format and content of the Secretary-General's report (A/48/470/Add.1), he said that, above all, full financial information should have been provided concerning the support account. Unfortunately, such information was not to be found in the document which had been submitted; some information was contained only in the report of the Advisory Committee, but it was clearly insufficient. In that connection, his delegation fully supported the request by the United Kingdom representative that such information should be provided for the informal consultations.

13. In his report on the support account for peace-keeping operations dated 18 September 1990 (A/45/493), the Secretary-General had proposed to study the method of financing such operations at the end of the first two years in the light of the practical experience gained. In that connection, for example, an average ratio of 8.5 per cent was suggested as a first step, on the understanding that it would be reviewed and that, if necessary, adjustments

(Mr. Kuznetsov, Russian Federation)

would be proposed in the context of reporting on the account. As early as 1990, the Advisory Committee and the General Assembly had expressed reservations concerning the use of an average ratio on the grounds that it did not reflect the varied requirements of the different peace-keeping operations. Unfortunately, no arguments or justifications were put forward in the report for maintaining the average ratio at its current level or adjusting it upward or downward, although that was one of the important aspects of the operation of the account.

14. A more careful approach should probably be taken to the list of criteria adopted in 1990. There was no information in the report about how those criteria were being observed, whether they were rational and what changes needed to be made to them, yet they had been adopted also on the understanding that they could be reviewed in the light of the experience gained. Paragraph 32 (e) of document A/48/470/Add.1, which automatically listed the criteria established in 1990, omitted an important element from the 1990 report (A/45/493, para. 16 (e)) in which it was proposed that, prior to their adoption, all proposals for the creation of posts must be formally submitted to the Office of Human Resources Management for classification. It was his delegation's understanding that none of the posts requested had been classified. How could the Committee approve the request for P-3, P-4 and P-5 posts when the posts had not been classified, especially since the posts involved were Headquarters posts?

15. The report provided no clear picture of how the posts already approved for financing from the support account were distributed: whether they were being used in the units for which they had been approved or whether they had been classified. The problem was touched on in part in the report of ACABQ (A/48/955, para.32). His delegation also agreed with the view expressed by ACABQ in paragraph 19 of that report that posts for peace-keeping operations support were by nature temporary. In an earlier report submitted at the forty-fifth session, ACABQ, indicating its concern over the large number of permanent contracts financed from the account, had expressed the hope that the Secretary-General would endeavour to maintain the proper relationship between the various types of contracts. Unfortunately, the report of the Secretary-General failed to provide full information on that point, too.

16. As noted in the report of the Secretary-General, a number of units were undergoing structural changes and, although the changes had not been completed, additional posts were requested for those units. For example, in paragraph 57 of annex IV to the report, it was stated that the Field Missions Procurement Section would be reorganized into a separate service for which 10 additional posts were requested. That would signify a definite departure from the organizational infrastructure which had developed. Some thought should be given to whether approval of the ten posts requested would involve the approval also of the new infrastructure or the expansion of the old infrastructure, which would give rise to questions regarding all the new posts and the acquisition of new equipment and property. Some thought should also be given to the question of whether the existing problems could be resolved by the combining of functions

(Mr. Kuznetsov, Russian Federation)

and a broader analysis of the place and role of, for example, the Procurement Section in the context of the general servicing of United Nations operations and missions, taking into account the fact that in a number of cases the Field Operations Division carried out procurement functions.

17. In conclusion, he said that the report of the Secretary-General on the support account for peace-keeping operations did not make an in-depth and extensive analysis of the key questions of the funding of the account, but simply requested additional posts to be funded from the resources of the support account. His delegation recognized that it was impossible to resolve even part of the problems raised in the next few days of the Committee's work and thought that the Committee should revert to the question in the autumn, at the forty-ninth session, and should now adopt an approach similar to that of ACABQ. In that connection, the proposal put forward by the United Kingdom representative merited study and support.

18. The CHAIRMAN suggested that the Committee should adopt the following draft decision without a vote:

"The General Assembly,

"Decides to maintain the current level of resources approved under the support account for peace-keeping operations for the month of July 1994."

That would allow the Committee to revert to the question when it resumed its work.

19. The draft decision was adopted.

OTHER MATTERS

20. Mr. MICHALSKI (United States of America) requested the Secretariat to inform the Committee about the status of the report of ACABQ on the report of the Secretary-General on staff assessment and when it would be made available to the General Assembly.

AGENDA ITEM 149: FINANCING OF THE UNITED NATIONS OPERATION IN MOZAMBIQUE (continued) (A/48/849/Add.1 and A/48/956)

21. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on Administrative and Budgetary Questions (A/48/956), said that, when ACABQ had submitted its report on the financing of the United Nations Operation in Mozambique (ONUMOZ) to the General Assembly, the Security Council had been about to take a decision to establish a large civilian police component in Mozambique and to reduce the number of troops. The Council had also been about to request the Secretary-General to implement that decision without any increase in the cost of the operation and without prejudice to the effective discharge of its mandate. In his report, the Secretary-General had put forward a specific

(Mr. Mselle)

proposal for a reduction in the number of troops which would result in a decrease of $19.4 million in military personnel costs and an increase of $19.9 million in civilian police costs. In other words, the resources allocated to cover military personnel costs would be reallocated to meet the requirements of the civilian police. Moreover, the Secretary-General had indicated the need for additional posts. Thus, the volume of resources requested in the estimates under consideration exceeded the amount in the earlier estimates by more than $13 million. It should be remembered that the General Assembly had authorized the Secretary-General to enter into commitments not exceeding the sum of $26.9 million a month for the period beginning 1 May 1994. The volume of resources now proposed by the Secretary-General did not correspond to that sum. In the light of the foregoing, the Advisory Committee, having considered the estimates, recommended the appropriation and assessment on Member States of an additional amount of $111.5 million gross to meet the continued operation of the mission from 1 May to 15 November 1994, taking into account the amount already appropriated and assessed.

22. The Advisory Committee did not have before it any performance report for the period 1 November 1993 to 30 April 1994 and it had therefore been unable to determine more precisely the volume of resources which it should recommend for approval by the General Assembly for the period covered by the Security Council decision. For that reason, ACABQ recommended that the question of the apportionment of the additional $13 million mentioned in the report and the question of the costs related to the liquidation of the mission should not be considered at the current stage. The Advisory Committee requested the Secretary-General to submit the most up-to-date performance report one month before the expiration of the current mandate period. That report should also contain information about the additional resources requested for the period 1 April to 15 November and the exact total of the costs related to the liquidation of the mission.

23. Mr. TAKASU (Controller) said that the Secretariat had taken all possible measures to reduce the costs of ONUMOZ. Drawing attention to the difficult financial situation of the operation, he said that, after the report containing information on the subject had been submitted to the Advisory Committee, the situation with regard to the accounts of the mission had deteriorated and at the present time there was no cash in hand. In that connection, resources would have to be borrowed from the budgets of other operations. It should be noted that a number of other operations, not only CNUMOZ, were in the same serious and difficult situation.

24. Mr. GOKHALE (India) said that his delegation shared the concern of ACABQ regarding the omission from the report of the Secretary-General under consideration of information concerning the reimbursement of troop-contributing countries and a possible timetable for reimbursement. Similar concern regarding delays in the reimbursement of costs had already been expressed during the debate in the Fifth Committee on the agenda item on the financing of the United Nations Transitional Authority in Cambodia (UNTAC). The question had also been raised in the report of the Secretary-General on the administrative and

(Mr. Gokhale, India)

budgetary aspects of the financing of United Nations peace-keeping operations (A/48/945). In that connection, the Secretariat should be urged to take measures to ensure that all reports of the Secretary-General on the financing of individual peace-keeping operations contained information on the situation with regard to the reimbursement of troop-contributing countries.

25. His delegation was also concerned that the outstanding assessments due from Member States amounted to one third of the total amount of assessed contributions for the financing of ONUMOZ. The experience of UNTAC showed that a lack of resources during the liquidation phase of an operation resulted from the fact that Member States stopped paying their contributions. That meant that the troop-contributing countries did not receive the requisite reimbursement and led some of them to reconsider radically the advisability of making further contributions of troops. It was to be hoped that, in view of that situation, the representatives of the Secretariat at the highest level would be able to convince Member States of the need to pay their contributions. Moreover, in connection with the question of the liquidation of ONUMOZ, reference should once again be made to the experience of UNTAC. The lack of resources for that operation had resulted, on the one hand, from the failure of Member States to pay the contributions assessed on them and, on the other, from the decision of the General Assembly to transfer the assets of UNTAC, amounting to almost $100 million, to other operations - in order to keep down the common costs of peace-keeping operations - without crediting the corresponding amounts to the special UNTAC account. If those resources had been in the special account, it would have been possible not only to finance the liquidation phase of the operation but also to make reimbursement payments to the troop-contributing countries. A sizeable contingent of Indian troops was in Mozambique and his delegation would not like to have to inform its Government once again that it could not be reimbursed in view of the aforementioned problems. In that connection, the Secretariat should take India's position into account in preparing the proposals for the liquidation of ONUMOZ.

26. Mr. MICHALSKI (United States of America), referring to the question of reimbursements to troop-contributing countries, noted that a situation had arisen in which various countries rejected the inequitable situation with regard to such reimbursements. In that connection, he hoped that the procedure for making use of the Organization's resources would be improved.

27. With regard to the immediate question of ONUMOZ, he regretted the lack of a progress report on its work and noted that, in his delegation's opinion, the explanations which had been offered on that score were not entirely convincing. As for the recommendations of ACABQ, he noted with satisfaction that many of them had been taken seriously and implemented. His delegation was grateful to the Secretariat for its decision to reduce the number of electoral observers financed from the ONUMOZ budget. The Secretariat had also implemented the ACABQ recommendation for a reduction in the number of local staff, which, in the opinion of his delegation, had been too high. In that connection, he wished to receive assurances from the Secretariat that the electoral observers financed from sources other than the ONUMOZ budget would receive appropriate support. With regard to the travel costs of civilian personnel, he requested the

(Mr. Michalski, United States)

Secretariat to submit information about the cost of transporting accompanied and unaccompanied baggage. On the question of renting accommodation, he would like to know the reason for the 15-per-cent budget increase in the rental for a hotel in Maputo - a cost which in his opinion had already been too high - and what progress had been made in constructing premises from prefabricated units, a topic which had been addressed in the previous budget. On the question of communications, he requested the Chairman of ACABQ to explain the meaning of paragraph 16 of the report, which referred to the projected acquisition of VSAT Earth stations at a total cost of $2 million. Despite repeated requests by his delegation, no clear and direct explanations had been forthcoming from the Secretariat. Before any work was started on a long-distance communications project, his delegation would like to know what ACABQ had in mind when it referred to the problems involved, whether they had been resolved, and whether they resulted from the specific situation in Mozambique or whether they related to the whole question of the acquisition of new communications technology.

28. With regard to the question of staff assessment, he recalled that he had already requested the Secretariat to submit information on the tax status of local staff involved in peace-keeping operations: whether they were liable for taxation, and, if so, whether the United Nations should pay them appropriate compensation. He believed that the Secretariat should give clear answers to those questions and submit information about staff assessment and the Tax Equalization Fund. Lastly, he referred to the Security Council resolution on the financing of the civilian police observers which the General Assembly had included in its most recent resolution on Mozambique. His delegation believed that the volume of appropriations should be set at a fixed level. On the question of external audit appropriations, he said that he would like to know the opinion of the Under-Secretary-General for Administration and Management on whether it would be qualitatively possible to carry out an audit if $11,700 was earmarked for that purpose over a six-month period. His delegation doubted whether that was possible. It was concerned that, despite numerous requests, the Secretariat had not taken any steps to increase the volume of appropriations for external audit. Referring to one of the documents, he said his delegation believed there could be no doubt about the Secretary-General's priorities, since, according to that document, he proposed to allocate approximately $120,000 a year for his Special Representative's housing expenses, whereas less than US$ 70,000 was allocated for external audit. It was to be hoped that consideration of that question had not been concluded and he expected that the Secretariat would be given an opportunity to respond to the questions raised earlier and that its response would be reflected in the summary record.

29. Mr. HOSANG (Director, Peace-keeping Financing Division) said that replies to questions raised by various delegations in connection with ONUMOZ financing would be provided at the next formal or informal meeting. The Secretariat had already provided answers to some questions, but they might not have satisfied all delegations. It would therefore make another attempt to answer those questions.

OTHER MATTERS

30. Mr. NIAZI (Assistant Secretary-General for Inspections and Investigations), referring to a question raised at a previous meeting in connection with the United Nations Operation in Somalia (UNOSOM) and the theft of $3.9 million in Somalia, said that a report of that theft had reached UNOSOM on 17 April, and an investigation team had set out for Somalia on 19 April. He explained that a number of delegations had been asked to provide assistance by offering the services of skilled investigators, and he was deeply grateful to the Ambassador of the United Kingdom for the help provided by Scotland Yard. Since only the preliminary findings had been made available, the information would be published when Scotland Yard's final report had been received.

31. Mr. MICHALSKI (United States of America) noted that the United States had also offered the services of its State Department in the matter and it would like to know more about the circumstances of the case, if that would not be prejudicial to the investigation, in order to get a clearer picture of how the money could have been misappropriated and whether any violations of controls had taken place.

32. Mr. NIAZI (Assistant Secretary-General for Inspections and Investigations) said that no banks were at present operating in Somalia, and therefore most financial transactions were conducted in cash. During the specific period in question, when certain military units were being redeployed, the cash fund of US$ 1 million which had been earmarked for them had been sent back to the cashier's office. Cash was delivered to Somalia by air from abroad, in the instance in question from Singapore. The incoming money had been counted and registered. In addition, enormous sums were circulating in local currency.

33. Representatives from the audit organs had already raised the issue of safe custody for cash with the administration, because the very idea of a large amount of money being kept in one place could constitute a temptation. The administration had taken the necessary measures and had constructed a storage facility with steel doors and a sliding steel grille. The building housed a large safe. He noted that the cashier's office and the storage facility were located in different places, which necessitated transferring cash from one to the other. The cashier had concluded that it was safer to keep money in his office than in the storage facility. The cashier's office contained a steel cupboard with a combination lock and keys to each of its drawers. The cupboard was currently in London, where forensic experts were attempting to establish whether there had been a break-in or whether the cupboard had been made to look as if it had been broken into after it had been opened.

34. The risks connected with storing the money had been further aggravated by the fact that a considerable number of people had known about it, including representatives of trade organizations which had dealings with the United Nations. Moreover, unfortunately, a failure to comply with basic instructions had also contributed to the disappearance of the money. One such instruction prohibited anyone from entering the cashier's office while carrying a briefcase, package, box, or any other object which could be used to remove something. Owing to the hot weather, however, it had been recommended that the staff should

(Mr. Niazi)

consume large quantities of water, and they had therefore brought in a crate or box containing bottles of water. One theory was that the money had been taken away in such a box.

35. The installations in question were located in an area covering approximately 40 acres. Consequently it was hard to talk about erecting some sort of barrier or providing security over such a wide area. Nevertheless, as a result of the incident, measures had now been taken with a view to reducing any future risk to a minimum. The cashier's office, which had formerly been housed in a prefabricated unit, had been transferred to the building which housed the storage facility. Grilles had been installed at all the windows, and there were plans to install sensors in the building which would be activated by any movement at times when nobody was supposed to be there. The functions of ensuring access to the cash were currently divided among three people, none of whom was allowed access to the cash separately.

36. The incident had led to the belief that it was essential to ensure constant compliance with the basic controls. It had previously been proposed that a considerable volume of resources should be allocated to the development of systems that would make it possible to avoid such incidents. Unfortunately, however, it was necessary not only to develop such systems, but also to ensure that they functioned effectively. Auditors were therefore at present working in the United Nations Protection Force (UNPROFOR) and UNOSOM, their principal duty being to ensure constant compliance with standard controls. More than 15 attempts had been made to forge cheques worth a total of approximately $3 million. In most cases the forgery had been detected in time, but much time and money had been wasted. He believed that the situation with regard to ensuring the security of financial operations had improved and that no incidents on such a scale would occur again.

The meeting rose at 5.15 p.m.